

SENATOR KEYES: Senator DeCamp, I have a real quick question.

SPEAKER LUEDTKE: Senator DeCamp, will you respond.

SENATOR KEYES: When you talk about removing checkoffs and so forth, now that don't mean the gasoline that I buy and put in my farm tractor, you are not going to take the credit away from that whether it has alcohol in it or not? You are not going to mess with that at all.

SENATOR DeCAMP: No, it has nothing to do with this.

SENATOR KEYES: Okay, I just wanted to make sure that the gasoline that I burn in my tractor, if it has alcohol in it or not, can get credit.

SENATOR DeCAMP: No, that is apples and oranges, nothing to do with this. This is, let me explain, Senator Venditte and Senator Carsten form a company. They call it VendiCal and they, under this other legislation, get a guarantee of a 15 million dollar loan and they round up a little money themselves and then they build a grain alcohol plant in Nebraska. Now under the federal legislation, and the reason I am explaining this is because I think it is a very workable thing that you will see happen fast, under the federal legislation that Thone and those guys are getting through, the Secretary of Agriculture goes out and buys up to five years' supply of grain and then guarantees to them they can have their five years' supply at a guaranteed price so they know for five years in the future whether the price of corn goes to \$6 or down to 10¢ they have got a fixed price so they can project their profits or losses, their costs, all these things. That is part number one. Part number two, in order to comply with the federal part, Nebraska has our committee, Grain Alcohol Committee, or whatever it is called, Agricultural Products Utilization Committee. We have that. That is one compliance factor. The other one is we have a forgiveness per gallon on the grain alcohol produced. So instead of paying 9¢ per gallon, 9¢ per gallon, they only pay 4¢ per gallon for every gallon used. So that makes another incentive and complies with the federal legislation. It gives all the pieces necessary to go ahead and build this thing and so VendiCal goes ahead and builds their plant, starts selling their grain alcohol, blah, blah, blah.

SPEAKER LUEDTKE: The Chair recognizes Senator Mares.

SENATOR MARESH: Mr. Speaker, a question of Senator DeCamp.

SPEAKER LUEDTKE: Senator DeCamp, will you respond.

SENATOR MARESH: I think the gas tax has been raised to 9½. Shouldn't that....

SENATOR DeCAMP: The very question I raised. E & R are supposed to correct that as I understand it.

SENATOR MARESH: Very good. Thank you.

SENATOR DeCAMP: To comply with the other legislation.